

HOUSE BILL 2588  
By Johnson P

AN ACT to amend Tennessee Code Annotated, Section 67-6-228, relative to taxation of retail sales of food and food ingredients for human consumption.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-228(a), is amended by deleting subdivision (1) in its entirety and by substituting instead the following language:

(1) Notwithstanding any provision of this part to the contrary, except as otherwise provided in subdivision (a)(2), the retail sale of food and food ingredients for human consumption shall be taxed at the following percentage rate of the sales price of each single article of food or food ingredient in the following fiscal years:

- (A) Six percent (6%) until the end of fiscal year 2005-2006;
- (B) Five and one-half percent (5.5%) during fiscal year 2006-2007;
- (C) Five percent (5%) during fiscal year 2007-2008;
- (D) Four and one-half percent (4.5%) during fiscal year 2008-2009;
- (E) Four percent (4%) during fiscal year 2009-2010;
- (F) Three and one-half percent (3.5%) during fiscal year 2010-2011;
- (G) Three percent (3%) during fiscal year 2011-2012;
- (H) Two and one-half percent (2.5%) during fiscal year 2012-2013;
- (I) Two percent (2%) during fiscal year 2013-2014;
- (J) One and one-half percent (1.5%) during fiscal year 2014-2015;
- (K) One percent (1%) during fiscal year 2015-2016;
- (L) One-half percent (0.5%) during fiscal year 2016-2017; and
- (M) Zero percent (0%) during fiscal year 2017-2018 and thereafter.

For the purposes of this subdivision, "fiscal year" means the period beginning July 1 and ending on June 30 of the following year.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.